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HOUSE BILL 2379 By  
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SENATE BILL 2769  
By McNally

AN ACT to amend Tennessee Code Annotated, Title 56 and Title 71, Chapter 5, relative to the administration of pharmacy benefits under certain health benefit plans.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act shall be known and may be cited as the "Standardized Pharmacy Benefit Identification Card Act".

SECTION 2.

(a) Every health benefit plan that provides coverage for prescription drugs or devices or services, or administers such a plan, including but not limited to health maintenance organizations, third party administrators for self insured plans and state administered plans shall issue to each insured a card or other technology containing standardized pharmacy benefit identification information. The standard pharmacy benefit identification card or technology shall be in the format approved by the National Council for Prescription Drug Programs (NCPDP) and shall include all of the required and conditional or situational fields and conform to the most recent pharmacy benefit identification card or technology implementation guide produced by NCPDP or conform to a national format acceptable to the commissioner of commerce and insurance.

(b) A new standard pharmacy benefit identification card or technology, as required under subsection (a), shall be issued by a health benefit plan upon enrollment and reissued upon any change in the insured's coverage that impacts data contained on the card or upon any change in the NCPDP implementation guide. Newly issued cards or technology shall be updated with the latest coverage information and shall conform to the NCPDP standards then in effect and to the implementation guide then in use.

(c) As used in this section, "health benefit plan" means an accident and health insurance policy or certificate; a non-profit hospital or medical service corporation contract; a health maintenance organization subscriber contract; a plan provided by a multiple employer welfare arrangement; or a plan provided by another benefit arrangement, to the extent permitted by the Employee Retirement Income Security Act of 1974, as amended, or by any waiver of or other exception to the act provided under federal law or regulation. Without limitation, "health benefit plan" does not mean any of the following types of insurance:

- (1) Accident;
- (2) Credit;
- (3) Disability income;
- (4) Specified disease coverage issued as a supplement;
- (5) Dental or vision;
- (6) Coverage issued as a supplement to liability insurance;
- (7) Medical payments under automobile or homeowners;
- (8) Insurance under which benefits are payable with or without regard to fault and this is statutorily required to be contained in any liability policy or equivalent self-insurance; and
- (9) Hospital income or indemnity.

### SECTION 3.

(a) This act shall take effect on becoming a law, the public welfare requiring it, and shall apply to health benefit plans that are delivered, issued for delivery, or renewed on and after July 1, 2001. For purposes of this act, renewal of a health benefit policy, contract, or plan is presumed to occur on each anniversary of the date on which coverage was first effective on the person or persons covered by the health benefit plan.

(b) Enforcement of this act shall be the responsibility of the commissioner of commerce and insurance. In accordance with the uniform administrative procedures act, the commissioner shall promulgate rules necessary to effectuate this act. No health benefit plan will be permitted to conduct business in this state if in violation of this section.